Government of Saskatchewan

Annual Report 1989-90

91-04387/

Saskatchewan Agriculture and Food

Eighty-fifth Annual Report
for the twelve months ending
March 31, 1990

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The department's mandate expanded into the agri-food industry.

Department name change and expanded mandate, 1989

Saskatchewan Agriculture became Saskatchewan Agriculture and Food on April 1, 1989.

The name change signalled an expanded mandate.

While retaining its traditional responsibilities, the department expanded its focus to include diversification and value-added opportunities associated with all areas of the agri-food industry.

In October 1989, Harold Martens was appointed Associate Minister of Agriculture and Food.

Letters of Transmittal

Department of Agriculture and Food

Her Honour
The Honourable Sylvia O. Fedoruk, O.C., S.O.M.
Lieutenant Governor of the Province of Saskatchewan

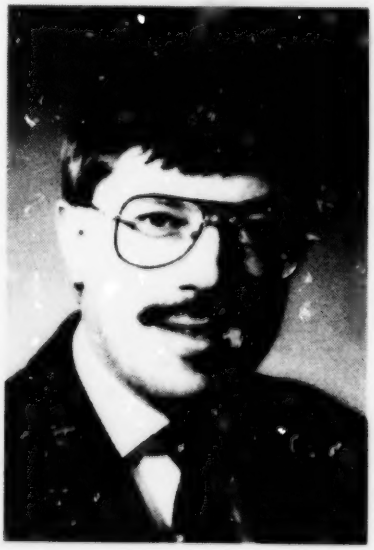
Your Honour:

I have the honour to submit the annual report of Saskatchewan Agriculture and Food for the twelve months ending March 31, 1990.

Respectfully submitted,

Honourable Grant Devine, Premier
Minister of Agriculture and Food

Report of the Deputy Minister of Agriculture and Food



Honourable Grant Devine, Premier
Minister of Agriculture and Food

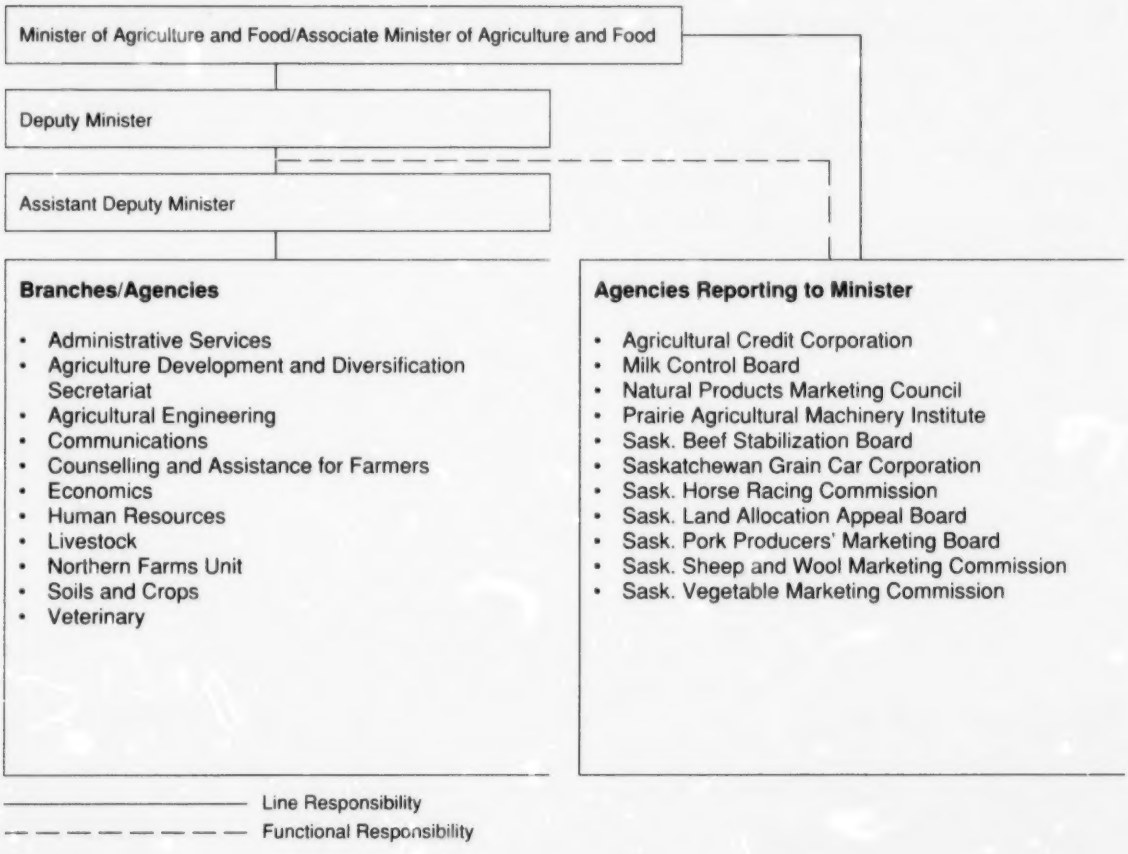
Sir:

I wish to present to you the annual report of Saskatchewan Agriculture and Food for the twelve months ending March 31, 1990.

Respectfully submitted,

Stuart Kramer
Deputy Minister

Organization Chart (1989-90)


Minister of Agriculture and Food/Associate Minister of Agriculture and Food
Deputy Minister
Assistant Deputy Minister
Branches/Agencies
• Administrative Services
• Agriculture Development and Diversification Secretariat
• Agricultural Engineering
• Communications
• Counselling and Assistance for Farmers
• Economics
• Human Resources
• Livestock
• Northern Farms Unit
• Soils and Crops
• Veterinary
Agencies Reporting to Minister
• Agricultural Credit Corporation
• Milk Control Board
• Natural Products Marketing Council
• Prairie Agricultural Machinery Institute
• Sask. Beef Stabilization Board
• Saskatchewan Grain Car Corporation
• Sask. Horse Racing Commission
• Sask. Land Allocation Appeal Board
• Sask. Pork Producers' Marketing Board
• Sask. Sheep and Wool Marketing Commission
• Sask. Vegetable Marketing Commission
Line Responsibility
Functional Responsibility

Administrative Services Branch

The Administrative Services Branch provides department support services in budgeting, accounting, space and accommodation, equipment and supplies, mail services, vehicle management, computer management, legislation and administrative analysis.

Legislation

The Farm Financial Stability Act passed in the Legislative Assembly.

This is the second part of the four-part farm bill which consolidates the existing farm finance legislation and provides the capability to establish programs that address farm finance needs.

The Act contains enabling powers to allow new programs to be established.

Financial Services

- processed more than 50,000 payment documents.
- was instrumental in establishing efficient financial procedures for the Feed Grain Adjustment Program and the Agriculture Development Fund Corporation.

Systems Services

- introduced a state-of-the-art office system based on microcomputers and local area networks.
- increased technical support was provided to system operators in pursuit of productivity gains and enhancements.
- revised and updated Departmental Strategic Plan to reflect current needs and solution opportunities.

Northern Farms Unit

The Northern Farms Unit operated the Cumberland House, Ile-a-la-Crosse and Central Farms during the 1989 crop season.

The Silver Lake Farm was operated by private operators in 1989.

Operation of the Cumberland House farm was taken over by the Cumberland House Development Corporation effective December 1, 1989.

The operation of the Ile-a-la-Crosse Farm was discontinued effective December 1, 1989, pending the transfer to an Ile-a-La-Crosse economic development corporation. An agreement for the transfer was signed on March 1, 1990.

The operation of the Central Farm was discontinued effective December 1, 1989, and steps were taken towards the transfer of the farm to a trust to be administered for the benefit of the local people.

Agriculture Development and Diversification Secretariat

The Agriculture Development and Diversification Secretariat's (ADD Secretariat) mission is to seize opportunities in the agri-food sector.

In 1989-90, the ADD Secretariat worked closely with private individuals, companies, industry groups, and both federal and provincial government agencies to facilitate agri-food development and diversification initiatives.

In the past year, the ADD Secretariat provided assistance and promoted development in the areas described as follows.

Agri-Food Industry Development

- Worked with proponents to assist in the development of the following products: wheat nuts, pea chips, pizza, sauces, borscht, fresh water fish chowder, and jams and jellies.
- Researched potential opportunities in rhubarb production, snail farming, angora rabbit wool production, and imitation dairy products.
- Worked with jam and jelly producers to organize a major marketing initiative into Quebec.
- Researched the Asian antler velvet markets and assisted a group of game farmers to establish a velvet antler joint venture with Japanese and Korean partners.

Financial Planning and Sourcing of Capital

- Developed a generic business-plan guide to assist any business wishing to create a comprehensive plan.
- Prepared a generic business plan targeted specifically at the developing game farming industry.
- Developed a proposal to raise an equity fund for investment by Saskatchewan entrepreneurs in agriculture and food projects.
- Provided guidance to a large farm group in efforts to secure financing to determine the feasibility of establishing a plant in Saskatchewan to produce glyphosate, an environmentally friendly general-purpose herbicide.
- Assisted with the financial arrangements for Poundmaker Ethanol joint venture involving Poundmaker, the Saskatchewan Wheat Pool and Mohawk Oil. This venture involved expansion of a feedlot from 8,000 to 16,500 head and the construction of a 10-million litre ethanol plant at Lanigan.
- Assisted Arctic Fish and Meadow Fresh Mushrooms in the development of business plans and in securing financing for business expansion.
- Initiated and coordinated the development of a proposal to establish an Equestrian Training Program at Palliser Campus, Moose Jaw, as a means to further development of the provincial horse industry.
- Worked with foreign investors interested in investing in Saskatchewan's agriculture and food industries.

Market Development and Trade Initiatives

- Investigated many potential domestic and export markets such as: kosher and halal foods, dried flowers, seed potatoes, mustard, mushrooms, jams and jellies, wild rice products, perogies, bakery products, fish products from aquaculture and several organic food products.
- Introduced several food processors to the Tengelmann retailers for participation in a promotion of Canadian food products in Germany.
- Developed a concept called the Northern Trading Post to assist small companies in obtaining a market presence capitalizing on the positive aspects of our Saskatchewan environment. This initiative also allows small companies to take advantage of economies of scale not available to an individual operator.
- Initiated joint Alberta/Saskatchewan sponsorship at Equitana, the major horse show in Germany, to gain exposure for quarter horses.
- Worked closely with Saskatchewan trade offices in other countries to provide information on exportable products and commodities.

Regulatory and Policy Issues

Due to the multi-disciplined nature of the Secretariat staff, the Secretariat was frequently called upon to review policy issues in order to assess their impact on development and diversification of the agri-food sector.

Some of these regulatory or policy issues were:

- The Canadian Wheat Board and Canadian Grain Commission regulations.
- The organic food industry.
- The Game Farming And Game Products Merchandising Regulations.
- Contracting of specialty crops and feed grain marketing.
- The Agri-Food Act
- The proposed **Wild Animal and Plant Protection Act** (Environment Canada).

Industry support

The Secretariat worked with the food industry to encourage development through such initiatives as a Food Processors Association and the investigation of concepts such as a food-based incubator for developing companies.

Staff members provided input and direction to the inter-departmental alfalfa committee. Effort was directed at clarifying the opportunities and constraints as a first step in evaluating the possible expansion of the industry.

Program Delivery

Staff members provided information and advice to applicants on the preparation of applications for funding through the Saskatchewan Agriculture Development Fund. The applications related to a wide variety of agri-food projects.

Making cheese in Swift Current. The department is providing leadership in research and development of value-added processing in the agri-food industry.

Agricultural Engineering Branch

The Agricultural Engineering Branch provides engineering leadership and resources for agriculture and food industry development.

The branch develops and implements policies, programs and services, and assists in the development of innovative and practical solutions to agricultural engineering problems in the following main areas:

- primary and by-product processing;
- machinery management for soil conservation, environment protection and improved productivity;
- livestock facilities to meet animal care and welfare concerns;
- livestock manure management to meet requirements for clean air, clean water and socio-economic benefit;
- the efficient use of energy.

Compatible computer system

Computer Assisted Design and Drafting (CADD) systems were installed in the branch in 1989-90 to be compatible with private consultants and with agricultural engineering agency systems in other provinces.

This system enables the sharing of standard components of design.

Development and transfer of technology has been speeded up and quality has been improved. Several major swine operations have been the focus of this collaboration.

Animal health and welfare

A staff member participated on the Animal Health and Welfare Committee of the Saskatchewan Pork Producers Marketing Board to review the Recommended Code of Practice for Care and Handling of Pigs.

As a result, standards for space allowances are being changed and barn designs are being modified. Design of straw bedding systems to promote animal comfort and welfare is receiving high priority.

Environmental standards for intensive livestock operations

Concerns for air and water quality near intensive livestock operations (ILOs) were addressed in 1989-90.

Research and development projects were initiated for manure handling and odour control. The Saskatchewan Intensive Livestock Operations Guide of Recommended Practice is being revised. Procedures for assessing ILOs, involving public consultation, have been improved.

Compressed Natural GAS (CNG) Program

The Compressed Natural Gas Farm Demonstration Program focused on its transfer to the Provincial Gas division of SaskEnergy.

The program successfully defined the practical equipment for compressing natural gas and using it in pick-up trucks. Provincial Gas plans further demonstrations and developments to determine the economics of natural gas as a mobile fuel.

Pesticide Programs

Efficient application of farm pesticides continues as an important emphasis.

The objective was to assist industry to develop industry-run programs such as sprayer clinics. Pilot programs were operated in several locations. Staff contributed to write a sprayer publication to be published by Agriculture Canada.

Meat processing facilities

A project was started to rationalize information and plans for meat processing facilities to enable operators to more effectively plan facilities which will meet the widest likely future need.

Diversification

Staff participated in the development of many research projects to assist diversification and value-added processing in Saskatchewan.

The department is demonstrating the practical application of compressed natural gas as an alternate fuel.

Communications Branch

The objective of the Communications Branch is to disseminate information relating to programs, policies and services provided by Saskatchewan Agriculture and Food to its various publics through a variety of methods.

The Branch is responsible for providing the many farm publics with the following:

- information about various programs, policies and services of the Department;
- technical information about all aspects of farming in order to enhance agri-food production and marketing;
- an understanding of the Government of Saskatchewan's commitment to the family farm;
- information about the Government of Saskatchewan's intentions to continue in a leadership role in Canadian agricultural deliberations.

The Branch assists and/or coordinates information dissemination on behalf of the Minister and the Department in regard to the above responsibilities.

During 1989-90, the Communications Branch liaised with the Communications Branch of Saskatchewan Rural Development to cooperate on publications' projects.

The operations of the Communications Branch are grouped into five sections which are described as follows.

Agricultural Library

The Agricultural Library provides information services to Saskatchewan Agriculture and Food and to the Saskatchewan Department of Rural Development.

The thrust of the reference collection and its development centres on agricultural diversification, food processing and the research of markets for food products which could use Saskatchewan's agricultural products.

In 1989-90, as part of its regular service, the Library:

- circulated more than 12,000 publications,
- borrowed 425 books and journal articles from other libraries, and
- performed 150 computer searches to find information about food companies, products and processes.

Print and broadcast news is monitored daily for Canadian and international agriculture-related stories, and an index of these stories is kept in the Library.

During the year, the Library handled numerous requests from the public, including producers, producer associations and students.

The Library maintained memberships in local and national library organizations, and played an active role in the Saskatchewan Government Libraries Council. The staff participated actively in several departmental committees including the Employee Fairness Committee, the Technical Advisory Committee and the United Way Committee.

Publications Distribution Centre

The Publications Distribution Centre (PDC) stores and distributes publications produced by various branches of the Department and all final reports of projects funded by the Saskatchewan Agriculture Development Fund.

In 1989-90, the PDC received 2,800 orders for 500 titles published by Saskatchewan Agriculture and Food and Saskatchewan Agriculture Development Fund. In total, 260,000 copies were distributed to the public and staff.

Of all requests for publications, about 40 per cent came from the Rural Service Centres.

Audio Visual Section

The Audio Visual Section provides assistance for all aspects of audio visual production within the Department.

In 1989-90, the Section's services included:

- producing computer-generated slides and overhead transparencies for use as illustrations during presentations by department staff;
- producing or assisting the production of photographic-slide programs to illustrate various programs offered by the Department;
- maintaining and expanding the library of photographic slides;
- answering requests from Saskatchewan producers. These requests involve transferring film and video-tape items produced by Saskatchewan Agriculture and Food onto video tapes submitted by Saskatchewan producers. In 1989-90, there were about 1,700 requests for duplicate tapes.
- upgrading computer software, hardware and video-editing equipment to meet the needs of the Department.

Media Relations Section

The Media Relations Section coordinates the preparation and distribution of information about agricultural programs, policies and services.

Various projects were undertaken during the year to create greater agricultural awareness among urban and rural audiences, and to create awareness of the department's name change and enhanced mandate. Among these projects were:

- Agriculture Week in Saskatchewan, previously called Agriculture Appreciation Week. This celebration of agriculture and its importance to the Saskatchewan economy was initiated by the Saskatchewan Weekly Newspaper Association about 20 years ago. It was held March 11 - 17, 1990, and focused on the theme of diversification.
- National Soil Conservation Week held in conjunction with Agriculture Canada and other Prairie provinces' departments of agriculture. The week was held April 9 - 15, 1990, and emphasized the importance of soil and water conservation.
- Agriculture in the Classroom Reference Committee of Saskatchewan Education. Saskatchewan Agriculture and Food provides technical information and serves as a consultant to this committee of Saskatchewan Education in an effort to further promote agricultural awareness.

The Section also continued to produce **The Farm and Food Report**, a package of feature articles about the agri-food industry distributed weekly to Saskatchewan newspapers, and radio and television stations.

The Department's monthly tabloid, **AgNews**, was distributed to all rural households in the province.

The department explaining its expanded mandate to the Saskatchewan public

The employee newsletter, **The Insider**, was published monthly and distributed to all employees of the department.

Print Section

The Print Section advises the Department about cost-effective design and production for all Department publications. The Section coordinates the production and distribution of all publications.

The Print Section:

- coordinated publication and production of materials for Lands Branch and Extension Service of Saskatchewan Rural Development;
- edited and coordinated production of a new publication called FarmFacts;
- edited and coordinated production of extension agrologist regional newsletters.

Federal/Provincial Agriculture Ministers' Conference, 1989

The annual summer conference of agriculture ministers was held in Prince Albert, Saskatchewan, from July 31 to August 2, 1989.

The conference was organized by a committee composed of department staff led by the Director of the Communications Branch and a representative of the Deputy Minister's Office.

Counselling and Assistance for Farmers (CAFF)

The Counselling and Assistance for Farmers' Program provides counselling, and operating and/or consolidation loan guarantees to eligible farmers who have been declined operating loans from their primary lending institutions.

In 1989-90, 1,051 farmers applied under the program and received counselling by farmer panels who have proven production and financial management abilities.

The counselling includes suggesting farm operating changes which would enhance the viability of a farm. For those operations which have the potential of being viable, the panels recommended that operating and/or consolidation loan guarantees be offered to the designated lender.

In 1989-90, lenders accepted 836 operating loan and consolidation loan guarantees totalling $57,832,000. The average guarantee was $64,779. Where applicable, the 1988 loan guarantees were extended for the 1989-90 year.

Economics Branch

The mission of the Economics Branch is to strengthen the primary agricultural and food processing sectors of the provincial agri-food industry through the provision of economic research, analysis and program delivery.

The Branch is organized into five functional sections, and an administrative unit.

Farm Management Section

In 1989/90, the Farm Management Section assumed a lead role in providing business management information training and services to the agri-food sector.

Farm Management Initiatives

- The Section was directly involved in negotiating and implementing a new federal/provincial agreement, Farm Management Initiatives.
- This $4.68-million agreement is intended to assist farmers in financial difficulty by providing:
  1. an intensive management skills upgrading program;
  2. several financial management courses through community colleges;
  3. a marketing and risk management training program;
  4. financial assistance to maximum economic yield clubs, and
  5. a farm management program targeted at farm women.

Farming to Win

- The Section remained an integral part of the Farming To Win program by providing operational management, core curriculum development and instructor training.

Publications

- The Section maintained and developed a base of management and economic information designed to assist farmers and farm advisors in making sound business decisions. The information base is maintained in 40 publications and over 50 fact sheets which are routinely updated.

Policy Issues

- The Section provided analysis and supported the development of several policy issues for the Department in co-operation with other Branch and Department staff.

These policy issues included an analysis of the effect of income tax changes and the Goods and Services Tax (GST) on farmers and farm programs, fluid milk pricing, and farm fuel rebate policies.

Top Management Program

- The Section was instrumental in the implementation of the Top Management Program and analyzed the resulting cost of production data from the farms sampled.

Other programs and conferences

During the year, the Section:

- designed a farm financial planning training course for field staff of the Farm Debt Review Board using the Farm Business Analyst computer program;
- taught courses on income tax changes, land leasing and accounting;
- organized, in cooperation with the Saskatchewan Association of Chartered Accountants, seminars on farm business arrangements and farm law. The seminars were offered to accountants and lawyers at five locations in the province.
- organized, in cooperation with three computer software companies, the Saskatchewan Agriculture Computer Conference;
- organized and delivered (as the lead agency) the Challenging The '90s conference to over 300 farmers. The conference brought together experts from across North America and Europe to discuss key issues in business management, economics, and trade in the agri-food sector.

Market Analysis Section

In 1989-90, the Market Analysis Section provided a wide range of services for the provincial agri-food sector.

The Section:

- helped to analyze the effect of regional and federal/provincial programs upon the agricultural community;
- helped to further refine economic policy options and alternatives introduced to meet the needs of the agricultural community in 1988/89;
- monitored the farm 1990 income situation and coordinated the development of two key policy options to assist producers;
- took a lead role in designing policy options relating to tripartite stabilization and the provision of administrative support for agricultural stabilization programs in Saskatchewan;
- monitored issues arising from international agreements covering the export of agricultural commodities and processed foods. These issues included:
  1. the Canada-U.S. Trade Agreement (CUSTA)
  2. the General Agreement on Tariffs and Trade (GATT), and
  3. the imposition of countervailing duties on agri-food products originating from Saskatchewan.
- further refined agricultural economic forecast services;
- maintained an ongoing commodity outlook program which included the Crop Prospects 1990 Conference. This conference was developed in cooperation with the University of Saskatchewan's Department of Agricultural Economics and Division of Extension and Community Relations.

Economic Research Section

In 1989-90, the Economic Research Section:

- provided economic research, program development and review, policy information, legislative design and administrative services;
- provided staff support to the Natural Products Marketing Council, which supervised the operations and activities of marketing agencies established under **The Natural Products Marketing Act** and provided advice to the Department on issues related to the marketing of natural products;
- assisted the Natural Products Marketing Council in overseeing the establishment of the Saskatchewan Sheep Development Board;
- helped to develop and draft **The Farm Financial Stability Act** and **The Saskatchewan Agri-Food Bill**;
- analyzed agricultural policies and programs and coordinated and assisted the development of new initiatives in farm finance, marketing and development.

Statistics Section

The Statistics Section provides a centralized system for the collection, analysis, interpretation and dissemination of statistical information relating to the agricultural and food processing industries in the Province of Saskatchewan.

Highlights of the 1989/90 statistical program were:

- the establishment of the Saskatchewan Food Industry Network/Database, in cooperation with various provincial and federal agencies, and
- the publication of the **Saskatchewan Food Processors Directory.**

Activities of the past year also included:

- coordination -- through the University of Saskatchewan -- of the **Saskatchewan Farm Input Price Survey** which provided per unit price comparisons for more than 30 farm inputs in 25 Saskatchewan communities;
- enhancement of the cooperative working relationships with national agencies, such as Statistics Canada, in the national survey system and Agriculture Canada with the initiation of a quarterly farm income outlook and forecast program;
- response to several hundred requests for information about various legal, social and economic factors which impact upon the rural economy;
- publication of the annual statistics handbook, the statistical fact sheet, the monthly and annual **Cattle Marketing Reports**, weekly **Market Trends** and weekly **Precipitation Summaries**;
- enhancement of the **Saskatchewan Crop Reporting Program** which provides information about crop conditions throughout the province on a weekly basis, from April through October;
- publication of the annual **Specialty Crop Report** which provides a comprehensive report of specialty crop area, yield, production, price and marketing information;
- administration of the **Saskatchewan Feed Grain and Forage Listing Service**;
- monitoring and analysis of the 1989 crop drought and 1989/90 farm income situation and participation in federal/provincial committees to address the immediate and long-term needs of the agricultural community.

Livestock Incentives Section

The Livestock Incentives Section is responsible for the implementation and administration of:

- the Feed Grain Adjustment Program (FeedGAP);
- the Feeder Associations Loan Guarantee Program;
- the Livestock Investment Tax Credit Program, and
- the Livestock Facilities Tax Credit Program.

The Feed Grain Adjustment Program (FeedGAP)

Introduced in October 1989, this program provides a direct payment of $13 per tonne to producers for feed grain consumed by cattle, hogs, lambs, goats, game animals and horses which are finished for slaughter in Saskatchewan.

Feed grain consumption is based on the weight gained while feeding and industry averages of the feed grain required per pound of gain.

The program provided total payments of $727,810 to March 31, 1990. Approximately 1,015 producers received payments averaging $717 per producer. Payments per animal averaged: $18.71 for cattle; $4.97 for cull cows; $4.25 for hogs and $1.49 for lambs in the past fiscal year.

The Feeder Associations Loan Guarantee Program

Implemented in July 1984, this program provides guarantees to financial institutions on loans made to members of feeder associations for the purchase of feeder cattle.

During the 1989/90 fiscal year, three new feeder associations were formed. As of March 31, 1990, there were 61 associations with a total of 2,110 members in Saskatchewan. Total guarantees of $15,400,000 were provided on $61,600,000 in authorized loans.

The Livestock Investment Tax Credit Program

Introduced in 1984, this program provided a tax credit on a per head basis for feeder cattle, hogs and lambs sold for slaughter.

About $8.1 million in tax credits were issued to 5,500 applicants during the fiscal year. About $35.5 million in tax credits have been issued since the program began.

This program expired on December 31, 1989.

The Livestock Facilities Tax Credit Program

Introduced in January 1986, this program provided a 15 per cent tax credit on the cost of constructing new livestock facilities and renovating existing facilities.

About $3.9 million in tax credits were issued to 2,179 applicants during the fiscal year. More than $8.3 million in tax credits have been issued since this program was introduced.

This program expired on December 31, 1989.

Human Resources Branch

The Human Resources Branch provides the Department of Agriculture and Food and the Extension Service, Rural Service and Lands branches of the Department of Rural Development with staffing, classification, staff relations, benefits administration, training and staff development.

The branch provides policy direction and guidance for administration and management of personnel to the Department of Agriculture and Food and its associated agencies.

Administration

Human Resources Branch continues its efforts to improve personnel services. The branch co-ordinates the Employment Fairness Program which provides advancement opportunities and enhanced employment for women in management, women in other non-traditional positions, persons of native ancestry and persons with physical disabilities. The branch also remains active on government-wide human resource committees.

The United Way campaign and Red Cross Blood Donor Clinic for the department were also co-ordinated by the branch.

Staffing

During the year, the staffing unit co-ordinated 51 competitions for permanent positions, and assisted management in recruiting casual, temporary and labour service employees to meet program needs. In all, the branch performed 514 staffing actions.

Classification

A total of 73 requests for classification action were reviewed by the branch; recommendations were made and forwarded to the Public Service Commission for final determination.

The branch also continues to update the department's position files.

The mandate of the Agrologist Committee was continued and the branch maintained an active role on the committee.

Staff Relations

The branch continues to work closely with the Public Service Commission in the areas of collective bargaining and staff relations. The branch was involved in one arbitration board and handled a number of grievances.

The branch also remains active within the personnel community.

The branch co-ordinated the placement of 10 employees because of the closure of the northern farms. In addition, one employee was provided further training and four employees were offered retirement packages.

Training and Development

Training and development is an ongoing priority in the department. The branch:

- co-ordinated the development of a strategic training plan and completed a report on staff development for the Public Service Commission to be included in the government-wide Strategic Training Plan;
- purchased 330 courses from the Public Service Commission for special skills development of employees;
- co-ordinated the WordPerfect training and plays an active role in the department's WordPerfect Users' Committee.

Orientation

The branch provides orientation for new staff members. The orientation program includes video presentations about Saskatchewan Agriculture and Food and the Government of Saskatchewan.

In 1989-90, a major focus of the orientation program was to introduce new employees to the expanded mandate of Saskatchewan Agriculture and Food.

Payroll

The branch continues to provide full payroll administration for Saskatchewan Agriculture and Food and the departments of Urban Affairs, Rural Development, and Environment and Public Safety.

Livestock Branch

The Livestock Branch develops programs and policies and administers regulations to encourage a viable, competitive livestock and livestock products industry in the province.

Livestock Inspection Program

The mission of the Livestock Inspection Program is to protect ownership of livestock and to ensure that those who are selling livestock have the right to sell them.

In 1989-90, the Livestock Inspection Program inspected 1,062,940 livestock with payment for 1,504 redirected to the rightful owners. The value of the redirected animals is estimated at well over one million dollars.

The program provides services to 48 markets, 125 feedlots, two major packing plants, 100 game farms, 56 provincial pastures, 62 federal pastures plus numerous private and co-op pastures, ranch and small abattoirs.

Throughout the year staff were active in promoting livestock identification and provided numerous demonstrations at livestock field days, fairs and exhibitions including the Canadian Western Agribition.

Activities for the year included:

- Inspections 1,062,940
- Manifests processed 141,292
- Registered brands on file 35,000
- Livestock dealers' licenses 740
- Horns' penalty assessed on animals 114,969

Legislative and Regulatory Unit

This unit is responsible for the administration of four acts and seventeen regulations and provided for policy input in five subject areas.

The Unit provided information to staff members, members of the public and commodity groups concerning the content and application of branch legislation and regulations.

In association with Saskatchewan Justice, the unit resolved several regulatory conflicts and problems and provided legal interpretations in a number of areas.

An amendment to the Livestock Dealers Regulations and a new game farming regulation were passed.

The unit provided policy and program advice and support in the areas of regulation and inspection, horse racing, black fly control, animal welfare and sustainable agriculture.

Beef Industry Unit

The mandate of the Beef Industry Unit is to promote, develop and expand the beef industry in Saskatchewan through leadership and co-operation with livestock related organizations.

Conferences

The What's in Stock For You? Conference brought sectors of the beef industry together in a co-operative forum to discuss the differentiated products desired in the marketplace.

The Ultrasonics Strategy Conference discussed tools to identify genetics that will supply desired products.

Beef improvement programs

The delivery of these programs was coordinated in association with the Saskatchewan Livestock Association (SLA).

- Winning With Beef producer training was revised and field implemented. A similar course in risk management was initiated.
- The Beef Herd Management Project was revised for ease of use by producers and data processing. Development included programs to target extension needs in Saskatchewan.
- Field delivery of Record of Performance (ROP) programs and extension for beef and sheep were recontracted to the SLA for a five-year period.

Beef industry survey

- The unit initiated an environmental scan of the beef industry to identify opportunities for Saskatchewan resulting from ongoing rapid changes in the packing, vertical integration and feeding industries.

Other livestock species

- Work in the area of minor livestock species has focused on the pheasant, rabbit, goat, game farming and bison industries. Projects have centred on overviews with industry players and identification of opportunities in Saskatchewan.

Horse industry study

- An economic study of the horse industry was completed. This formed the basis for future industry developments and activities. Two horse racing studies were completed to examine the viability of the horse racing industry in the province.

Hog study

- The unit joined the Pork Industry Unit and the Prairie Swine Centre in a study to identify the optimum weight to market hogs in Saskatchewan.

Black fly control

- The Black Fly Control Program was contracted to the Prince Albert Agriculture, Development and Diversification (ADD) Board. This is the first time that control of the program is the responsibility of the people in the area concerned.

Pork Industry Unit

The number of pigs produced in Saskatchewan remained relatively steady in 1989-90 at just over one-million animals. The number of production units increased and construction was started on several new large scale production units. These new units will add up to 80,000 market animals per year and will stabilize numbers significantly.

Animal welfare and environmental issues

The 1989 Pork Symposium featured emphasis on animal care and environmental issues.

In co-operation with the Saskatchewan Pork Producers Marketing Board (SPPMB), committees have been formed to take a proactive approach to dealing with several important issues.

- A Saskatchewan Agriculture Development Fund project will initiate studies into the environmental and community concerns with intensive pig units. A manual to assist producers will be prepared.
- The existing Canadian Code of Practise for the Care and Handling of Pigs has been extensively rewritten and, following consultations across Canada, will be published in an easy-to-use, meaningful format. The Animal Care Committee of the Saskatchewan Pork Producers Marketing Board and Saskatchewan Agriculture and Food played a major role in the development of the new Code.

Organic food

The unit participated in the Canadian Agricultural Research Council Ad Hoc Committee on Organic Food and provided leadership on an intra-departmental Organic Task Force.

Other programs

- During the year, presentations on the pork industry were given to staff of the Agricultural Credit Corporation of Saskatchewan and banking groups.
- The Technology Transfer Program operated by SPPMB continues to operate following the placement of a new staff member.
- The Swine ROP Genetic Improvement program was turned over to the Saskatchewan Swine Breeders Association. The association will provide ultrasonic testing services to assist in the identification of superior genetic quality breeding animals.

Dairy Industry Unit

Food and Beverage Showcase, Saskatoon

In April, 1989, Livestock Branch in conjunction with the Agriculture Development and Diversification Secretariat and the Saskatchewan Agriculture Development Fund participated in the Saskatchewan FOODTALK-Saskatchewan Research Council sponsored Food and Beverage Showcase in Saskatoon.

This was one of the first opportunities for the Department of Agriculture and Food to communicate its new mandate to food processors and consumers.

Saskatchewan FOODTALK Taste Panel

Two Saskatchewan food products, fruit-flavoured bottled water and beef jerky, were featured in a taste-test panel hosted by the Saskatchewan Foodtalk Program and the Livestock Branch in June, 1989. Department of Agriculture and Food staff in the Walter Scott Building participated in the panel.

The results of the taste panel were used by the food processors developing these products.

Dairy Task Force

A Dairy Task Force comprised of dairy producers, and government and university representatives was formed in February 1990 to consider challenges and opportunities for the Saskatchewan dairy industry.

Milk quality maintained

The Saskatchewan dairy industry's reputation for producing high quality milk was maintained in 1989.

To assist the industry, the Provincial Dairy Lab provided test results on 12,000 milk samples to dairy producers and industry personnel involved in the milk quality assurance program.

An additional 40,000 milk samples were tested and the results used by the Saskatchewan Milk Control Board to pay milk producers for their product.

The dairy unit also participated in the annual inspection of milk processing plants conducted by Agriculture Canada.

Certification program

To insure that quality of lab test results meets the requirements of agencies receiving them, the Provincial Dairy lab continued its participation in the development of a national lab certification program.

Milk recording services expanding

The Saskatchewan Dairy Herd Improvement Corporation expanded the number of dairy herds using milk recording services. The Provincial Dairy Lab provided, under contract, 450,000 test results on 150,000 samples to the Corporation.

The commercial farming of game animals is being developed through the department.

Soils and Crops Branch

Crop Technology and Development Section

Crop Technology and Development specialists provide expertise to growers, industry and government to facilitate development of the crop production and processing industry.

Cereal Crops

Publications -- The publication "Varieties of Grain Crops for Saskatchewan 1990" was distributed directly to all Saskatchewan farmers. An additional 30,000 copies were also made available through the extension system. Funds for printing and distribution were provided by the Agriculture Development Fund.

The fact sheet "Producing Canada Prairie Spring Wheat" was published in the FarmFacts series.

Numerous articles on current issues were released in Saskatchewan Agriculture and Farm and Food Report.

Administration -- The Cereal Crops Specialist represented the Department by:

- maintaining an active roll on the Research Advisory Committee to the Canada-Saskatchewan Irrigation Based Economic Development Fund
- participating in the South Saskatchewan River Basin Study
- serving on the advisory committee to the Agriculture Canada Research Station at Swift Current
- representing Saskatchewan on the Wheat, Rye and Triticale Prairie Registration Recommending Committee
- representing Saskatchewan on the Barley and Oat Prairie Registration Recommending Committee
- representing Saskatchewan on the Western Expert Committee on Grain

The Cereal Technology and Development Specialist participated in diversification related initiatives by:

- representing Saskatchewan on the National Oat Industry Steering Committee
- providing assistance to the adoption of Canada Prairie Spring Wheat in cooperation with the Canadian Wheat Board in their contract program
- pursuing markets for hulless barley in cooperation with the Crop Development Centre, Canadian Wheat Board and industry
- providing information consultation with processors who were looking at developing in the province
- assisting the University of Saskatchewan in holding an Oat Industry Conference where producers and processors met

Oilseed Crops

In 1989-90, the Oilseed Technology and Development specialist provided a variety of specific services to producer organizations involved in the production and development of oilseeds in Saskatchewan.

- Saskatchewan Canola Growers Association
  - helped plan the strategy and action plans required to bring about the implementation of a grower checkoff. Positive results are expected in 1990.
  - helped draw up the plans for the productivity centres that are to be introduced in the spring of 1990.
- Canola Council of Canada
  - participated as a member of the Crop Production Committee to help manage the "Grow With Canola" Program.
  - participated in the review of proposals for agronomic research and the development of a list of priorities for future agronomic research.
- Western Flax Growers' Association
  - worked with the directors of the association on several value added projects.
- Flax Council of Canada
  - served as a member of the Research and Technical Committee. The Committee sets research priorities and provides funds for research.
- Saskatchewan Sunflower Committee
  - helped administer variety trials of recommended varieties for production in Saskatchewan.
- Canadian Mustard Association
  - worked in conjunction with the Association to plan for revisions to the Mustard Production Manual.
- SeCan
  - represented Saskatchewan Agriculture and Food on the SeCan Board. SeCan is responsible for multiplication and distribution of new varieties of crops.

Sunflowers are one of Saskatchewan's diversified crops.

Special Crops

Saskatchewan continued to be a major producer of field peas, canaryseed and mustard. The area planted to specialty crops declined slightly to 1.16-million acres. This decrease represented the first year this decade that specialty crop plantings decreased from the previous year. Nevertheless, production increased in 1989 due to better growing conditions.

Diversification and value added

The special crop industry continued in its attempts to add value to special crops.

A grower near Regina began packaging locally grown bird grains for the boxed bird food product. Another grower investigated the market acceptance for Saskatchewan grown chickpea splits. This project, assisted by Economic and Regional Development Agreement's (ERDA) market development fund, determined a ready market place in Western Canada.

Since chickpea varieties are marginally adapted to the Prairies, the Crop Development Centre at the University of Saskatchewan, is continuing to evaluate various chickpeas' lines for adaptability to Saskatchewan growing conditions.

The Special Crop Technology and Development specialist's responsibilities were expanded in 1989 to focus less on agronomy and more on the development and infrastructure needs of new crops. In the coming decade, this position, now referred to as Crop Development Specialist, will expand Agriculture and Food's efforts in areas such as herbs and spices, borage, and seed potatoes and will concentrate on value-added development of established special crops.

Crop Protection Services

The Crop Protection Section provides extensive support for the agricultural industry in Saskatchewan and provides a variety of services to numerous client groups.

- Provision of consultative service to the Saskatchewan crop production industry. This was done through development of publications, films, slide sets, new releases, personal service and producer/industry meetings.
- Provision of a monitoring service for pests of Saskatchewan crops.
- Intermediary between the research community and the Saskatchewan agricultural industry to ensure that the crop protection research needs of the Saskatchewan crop production industry are me
- Development and implementation of crop protection policies.
- Development and implementation of pesticide policies through a regulatory framework for pesticide use and pest control.

Weed Control

The weed control specialist provides technical information regarding weed control in Saskatchewan to the Extension Service, farmers, agribusiness and other related industries.

In accordance with the Department's focus on diversification, the weed control specialist provided weed control information on alternate field crops, small fruit production, native fruit production and other horticulture or specialized crops.

In 1989 - 1990, the weed control specialist also coordinated the Leafy Spurge Biological Control project.

During the year, more than 400 weed samples submitted to the Crop Protection Laboratory were identified. The specialist coordinated the revision of the publication "Chemical Weed Control in Cereal, Oilseed, Pulse and Forage Crops".

Pest Control

a) Insect Control

The Provincial Insect Control specialist coordinated insect surveys for wheat midge, diamondback moth, grasshoppers, Russian wheat aphid, armyworms and cutworms. The information obtained from these surveys assisted in predicting insect outbreaks; and allowed for timely and effective use of insecticides.

In accordance with the diversification thrust of the department, surveys to identify insect pests of saskatoons, chokecherries, blueberries, cranberries and pincherries were continued. An ADF project was undertaken to provide data on the control of insects on saskatoons. A minor use registration is pending.

In 1989-90, publications produced for distribution were **Grasshopper Forecast**, the **Wheat Midge Leaflet**, **Insect Control in Field Crops** and the **Crop Protection Newsletter**.

The Crop Protection Laboratory identified 352 insect specimens and provided control recommendations. Numerous other requests were received directly by telephone.

(b) Vertebrate Control

The pest management specialist responded to a variety of nuisance vertebrate inquiries from a wide variety of clients. Particularly troublesome species included rats, ground squirrels, pocket gophers, skunks, house sparrows and snakes.

Special attention was given to problems such as pocket gophers in forage crops for seed, and bird control in horticultural and special crops.

The organic crop production industry was assisted in resolving its problems with drift from adjacent pesticide application.

Pesticide Regulation

The Department regulates the use, handling and distribution of pesticides in Saskatchewan through **The Pest Control Products (Saskatchewan) Act** and its regulations.

Safe use of pesticides is encouraged through all pesticide publications and all commercial pesticide applicators are licensed. Approximately 1,400 commercial pesticide applicators were licensed in Saskatchewan in 1989-90.

Plant Disease

The Plant Disease specialist provided technical support in finding solutions to a wide array of plant disease problems. Special emphasis was placed on developing solutions to disease problems of horticultural and special crops.

The Plant Disease Specialist continued to oversee the operation of the Crop Protection Laboratory. More than 800 samples were received in the Crop Protection Laboratory for plant disease diagnosis.

A canola disease survey was conducted with the cooperation of extension agrologists in Saskatchewan Rural Development. Blackleg was found in more than 90 per cent of the 250 fields surveyed.

A survey of irrigated alfalfa was conducted in cooperation with Agriculture Canada for Verticillium Wilt. The disease remains confined to two separate irrigated areas near Leader.

Technical support was provided for provincial Dutch Elm Disease surveys.

The annual publication on chemical seed treatments was revised and several FarmFacts on crop diseases were produced.

Horticulture Section

The Horticulture Section specialists provided technical and extension information to commercial producers of fruit, vegetables, potatoes, mushrooms, herbs, nursery crops, turf, florist and greenhouse crops, other agencies within government, horticulture societies and the general public.

Fruit

A review of all potential fruit crops was made and informational packages prepared on production, marketing and processing of those with the greatest potential.

Fruit production and marketing presentations were made to the Saskatchewan Fruit Growers Association, Western Canadian Society for Horticulture, the Saskatchewan Farmers Market Association and a number of regional and district extension meetings. Field calls were provided for new and prospective growers.

The fruit and vegetable specialist also assisted in the preparation of a Prairie strawberry production manual, and two provincial publications (**The Economics of**

Saskatoon Production and **Rhubarb an Alternative for Diversifying the Saskatchewan Farm Economy**).

A number of tours of fruit farms and orchards were also attended. A series of tree fruit pruning and propagation demonstrations was held, and a series of meetings on processing and packaging was attended. The specialist also assisted in the preparation and review of a number of fruit projects.

Vegetables and Potatoes

A number of demonstration projects using new technology such as plastic row covers were carried out. Tours of the University of Saskatchewan vegetable projects as well as the Saskatchewan Vegetable Growers Association were held. A task force was established to investigate and assist in developing an export market for Saskatchewan grown seed potatoes in the Northwest States. The fruit and vegetable specialist attended the Washington State Potato Conference to establish contacts with potential buyers of Saskatchewan seed potatoes and research and extension staff in order to establish demonstration projects.

Nursery Crops

The Nursery and Greenhouse Specialist continued to work to develop the Saskatchewan Greenhouse and Nursery industry. The specialist attended the Minnesota Landscape Association Trade Show in Minneapolis to establish contacts for potential export of Saskatchewan grown nursery stock and assist growers in determining export procedures.

Greenhouses

Special emphasis was placed on resolving impediments to development of the greenhouse industry such as financing. The specialist also maintained the currency of his expertise by attending The Canadian Greenhouse Conference at Guelph and Saskatchewan Greenhouse Growers Association meetings.

Florist Crops

Publications called **Landscaping for Rural Homes** and the **Saskatchewan Garden Guide** were reprinted to assist consumers in selecting and utilizing nursery stock. A number of short courses on landscaping were also offered.

Apiary Section

Honey Bees

Three significant areas of activity took place in the honey bee industry during the past year. These were related to:

- honey bee tracheal mites;
- self-sufficiency, and
- new product development.

Tracheal mites

The level of sampling for honey bee tracheal mites in the province was doubled to approximately 2,700 samples. An attempt was made to sample every apiary belonging to every commercial beekeeper. As a result of the sampling, a total of 22 beekeeping operations were found to have tracheal mites, an increase from five in the previous year.

As a consequence, the policy of destruction and compensation was abandoned since it was apparent that tracheal mite infestations could not be eliminated by this method. All infestations were thought to have originated from package bee imports from the United States.

Menthol trials were continued under an experimental use permit. Menthol, although not 100 per cent effective, was found to hold tracheal mite infestations at levels which eliminated economic impact to honey bee colonies or honey production.

Agriculture Canada conducted a limited survey for varroa mites along the Saskatchewan-US border. Approximately, 85 colonies within 10 kilometres of the border were sampled. No varroa mites were found. However, new infestations were found in New Brunswick in the late fall of 1989.

Self-sufficiency and diversification

The 1989 honey crop was 14.5 million pounds, a significant reduction from the previous year. The decline was mainly caused by severe winter losses. In spite of the losses, beekeepers managed to maintain the colony count at approximately 100,000 colonies.

The Saskatchewan beekeeping industry continues to strive towards self-sufficiency. One beekeeper in the Kinistino area has invested money in a wintering building to produce small colonies, winter them and offer them for sale. This was done with a loan from the Western Diversification Office.

Self-reliance will continue to be increasingly important in the short term since border closure to imports of packaged bees from the United States has been extended from December 31, 1989, to December 31, 1991.

Africanized bee

Another problem, the Africanized bee, will likely arrive in the United States in the summer of 1990. It is thought that this pest will cause major problems in the United States. Depending on the severity of these problems, producers in Saskatchewan who have non-Africanized stock may realize an opportunity for queen sales in the United States in the coming decade.

Honey stabilization program

Saskatchewan joined the National Tripartite Stabilization Program for Honey during 1989. A retroactive payment was made in 1989 for honey marketed in 1988. Participation in the program was excellent in that virtually every commercial beekeeper has enrolled in the program. A payment of approximately 12 cents per pound was made under the stabilization program for all honey marketed in 1988. The Provincial Apiculturist has been appointed to the Stabilization Board.

New product development

A group of beekeepers have been developing a new product called Honey Blend which is a mixture of honey and fruit. The project has been supported by funding from various government agencies.

The product is now at the stage of development where it will soon reach the market. Initial market analysis has indicated that this product will be readily accepted across North America and the potential exists for significant sales.

Leafcutter bees and alfalfa seed

In 1989, Leafcutter bees were released in the third week of June. This early release reflected an early spring and an advanced alfalfa bloom. Lygus bugs reached record numbers in pre-bloom alfalfa, and in some instances caused severe bud blast, a condition normally caused by alfalfa plant bug.

Drought was a limiting factor in some regions. However, alfalfa seed yields reached record highs, with an overall average of about 250 pounds per acre. Canadian production was estimated at 26 million pounds.

Alfalfa seed production

Pedigreed alfalfa seed of public varieties was produced on 25,152 acres in 1989, (17,226 acres public and 7,926 acres proprietary or unlicensed). In addition, approximately 10,000 acres were harvested for common seed. Prices for common and certified seed of public varieties dropped to below 50 cents per pound, with much seed moving at 55 cents per pound. Much of the bulk seed moved into export markets. By the end of the reporting period, little seed was left at the farm gate. Very little seed was carried over into 1990.

Leafcutter bee production

Leafcutter bee multiplication in 1989 was reported to be two- and threefold. Parasitism (mainly by **Pteromalus venustus**) reached high levels for the second year in a row, causing concern among buyers and sellers of leafcutter bee cocoons.

Cocoon prices averaged around the 45-cent range for good quality cocoons with low parasitism, and most were sold into the United States. Chalkbrood (**Ascosphaera aggregata**) was found again in one operation where it had been detected in 1988, as well as in a new location in a **Megachile relativa** cocoon found in a trap nest.

Insect identification and sampling field days were held in northwest, northeast, and east central Saskatchewan in June, 1989. Insect sampling was continued throughout the season in the Prince Albert area. Shelter design and nesting comparisons were carried out, and parasite control studies were initiated.

Other work on leafcutter bee management during incubation was also begun. The Saskatchewan Agriculture Development Fund supported studies on foliar mold control and soil fertility in alfalfa seed, through grants to the Saskatchewan Alfalfa Seed Producers' Association.

Other activities

Extension presentations were made to the Canadian and American Alfalfa Seed Schools in January 1990, as well as to grower and extension meetings throughout the year. Several growers in the Shellbrook area are producing organic alfalfa seed for sprouting. Interest in this crop is increasing.

The Apiculture Specialist position was changed in January 1990 to reflect the need for emphasis on diversification into forage seed production. The position is now titled the Leafcutter Bee and Forage Seed Specialist.

Agriculture and Food in Northern Saskatchewan

Wild rice production

Total wild rice production for crop year 1989 was 1,776,087 pounds, down by almost three percent from 1988. The crop was harvested by 178 wild rice growers distributed widely over Northern Saskatchewan.

Some usually productive areas did not produce wild rice in 1989 due to very low water levels in spring which prevented the straw from the previous crop from being carried away. This thick cover of straw did not decompose throughout most of the growing season.

A new area in the northwestern part of the province was successfully put into production in 1989. This area, located along the Turnor River channel, had a total production of more than 65,000 pounds. Further expansion in this area is possible.

A Saskatchewan Wild Rice Research Report for 1989 was prepared and 750 copies were printed and distributed to all wild rice growers and permit holders. The report contains the highlights of studies conducted in 1989.

Wild rice research program

Three research projects were conducted during the 1989 crop year. These studies were:

- Harvester Improvement;
- Sediment Redox Potential, and
- Pollen Production and Grain Quality.

In 1989, the harvester improvement study focused on the effect of frequency of harvesting on production and grain quality. Crop losses during harvesting operations were also studied.

The Sediment Redox Potential study, which promises to result in a method for detection of unproductive lakes before attempts to seed such lakes take place, continued to show very interesting results. While additional studies are needed, particularly in the central and eastern wild rice growing regions, redox potential appears to be a very useful indicator in determining productive and non-productive sites.

A study on Pollen Production and Grain Quality was initiated due to reports from growers, particularly from the northwestern part of the province, that their rice fields had a very high percentage of empty hulls. The study, which was conducted widely across the growing regions between July 23 and August 7, showed that pollination does not seem to be a problem.

Wild rice industry organization

The Saskatchewan Wild Rice Council held its annual conference February 20-22, 1990, in La Ronge. One of the highlights of the meeting was a change of structure following the recommendation of a consultant's report.

The Council adopted a structure which requires a direct membership of growers, processors and marketers. The growers are allocated six seats on the board and are elected on a regional basis. Processing and marketing groups are allocated a seat each on the Board.

Potato Lake Horticulture Project

The project was devoted to growing varieties of vegetables which showed encouraging results during the previous year of the study.

The project, conducted on a six-acre plot, also included trials on different cultural practices as a continuation of on-going studies. Among the trials was the use of plastic to enhance the growth of vegetables such as corn, cucumbers and melons, which require continuously high temperatures and significant amounts of moisture.

The raised bed trial was also continued. It again showed a dramatic result in terms of growth and production. This project has caught the attention of many northerners, especially those who have limited garden space and are having drainage problems.

A successful field day was held in 1989. Northerners continued to demonstrate interest by visiting the trials throughout the entire season.

A brochure which contains a summary of the studies done during the last five years was finalized and printed. Copies were subsequently distributed to all communities in Northern Saskatchewan.

Soils Section

Policy and Program Development

Development of the Canada-Saskatchewan Soil Conservation Program was completed.

The Canada-Saskatchewan Accord on Soil and Water Conservation and Development and the three-year, $54-million Canada-Saskatchewan Agreement on Soil Conservation were signed in early summer 1989.

Programs developed, announced and implemented under the Agreement include:

- the Permanent Cover Program;
- the Save Our Soils Program, and
- a contract to the producer-based Saskatchewan Soil Conservation Association.

Save Our Soils Program

This program is a major area of emphasis under the Agreement on Soil Conservation.

The program is being delivered by the recently established provincial system of 43 producer-based Agriculture, Development and Diversification (ADD) Boards.

ADD Boards provide technical, material and financial assistance to producers willing to adjust farming practices and land use in order to conserve soil and protect wildlife. The Save Our Soils Program provides for on-farm demonstration of conservation practices and the planting of shelterbelts for soil and wildlife conservation.

Publications

Soils related bulletins updated, printed and distributed include:

Applying Nitrogen With The Seed, **Micronutrients in Crop Production** and **General Recommendations For Fertilization in Saskatchewan**.

Extension Meetings

Soils specialists were active participants in soil conservation meetings organized by Extension Service of Saskatchewan Rural Development. Other meetings included the Western Provinces Awareness Meetings, the Federal-Provincial meeting in Ottawa, regional ADD Board meetings, Integrated Soil and Wildlife Conservation Planning meetings, the Saskatchewan Soil Conservation Association annual meeting, and the Soil Conservation Canada annual meeting.

The department is leading research into vegetable gardening and fruit production in Northern Saskatchewan.

Veterinary Branch

The Veterinary Branch provides support services for the veterinary profession which is supplying animal owners with high quality veterinary care "to safeguard and promote animal health through veterinary service and advice."

Healthy animals, safe food

Laboratory services, herd management programs and inspection for meat products provide for profitable livestock production, healthy animals and consumers benefit by receiving safe, wholesome, residue free food.

The branch is also involved in various aspects of production, research, education and nutrition and disease management. While much of the consultation is directed to the veterinarians and agrologists, the intent is to improve the ability of the livestock producers and the public to get the maximum benefit from veterinary science and technology.

Animal welfare

Animal welfare issues and humane animal care have received attention by the media and residents of Saskatchewan. The branch has worked with the Saskatchewan Society for Prevention of Cruelty to Animals to inform people that animals are raised responsibly and humanely. Peace Officers are licensed to investigate animal abuse and counsel or charge offenders under **The Animal Protection Act**.

Significant events 1989-90

- Completion of the pathologist team with the addition of two veterinary pathologists.
- Computer programming to improve laboratory data organization and reporting.
- Development of a Beef Production Management computer program which includes graphs and regional and provincial comparisons.
- Organization of an investigative system for the Saskatchewan Society for Prevention of Cruelty to Animals and formation of a welfare committee through the Saskatchewan Advisory Committee on Animal Health and Humane Care.
- Increase of revenue for laboratory services to $156,000, approximately 38 percent of operating budget.
- Completion of manuals for Food and Agricultural Response System to help agricultural and food industries to respond to emergencies or disasters.

Diagnostic Pathology Laboratory — Regina and Western College of Veterinary Medicine

Expert professional advice from veterinary laboratory services provides a high standard of veterinary diagnostics and consultation regarding animals.

The Provincial Veterinary Laboratory in Regina and the Veterinary Diagnostic Laboratory of the Western College of Veterinary Medicine provide a sophisticated diagnostic service to diagnose cause of death and to analyze blood, tissue or fluid samples of live animals to aid in the diagnosis of diseases.

Pathologists provide advice or refer clients to the local veterinarian or the proper specialist.

Verification of a diagnosis or providing a diagnosis results in reduced death loss, less expensive and more immediate treatments, and increased productivity. In addition, diagnosis of contagious diseases protects the owner and his community from economic hardship. The province's trading status can be maintained by prompt diagnosis and eradication of disease. In addition, a quick, accurate veterinary diagnosis is a great emotional relief and benefit to animal owners.

Pathology services, provided for veterinarians and members of the public, include post mortem, gross and histopathological examinations of all species except primates. The majority of animals examined are domestic mammals and poultry. Pathologists collate their findings for each case with results of microbiological, toxicological and immunological tests carried out in other laboratories with the aim of providing a diagnosis, prognosis, and advice for the veterinary practitioner and animal owner.

Domestic meat inspection program

The Provincial Meat Inspection Program contracted Agriculture Canada to provide meat inspection services. Facilities must comply with provincial standards. Ten plants were under inspection.

In response to the proposal of interprovincial meat trade in the prairie provinces, fact-finding reciprocal plant audits were carried out by representatives from Veterinary Branch and Alberta Agriculture. The opinion was that those audited plants were equally acceptable.

Beef Production Management Program

The Beef Production Management Project is a producer-veterinarian team approach to cow/calf management.

The program emphasizes record keeping and analysis which will improve herd management as producers manage by goals and objectives based on knowledge rather than managing by emotion. With the assistance of the Saskatchewan Department of Agriculture and Food, beef producers are encouraged to use the management, diagnostic and advisory services of veterinarians to improve the profitability and productivity of their individual operations.

The Beef Production Management Project paid 264 producers for records last year and has 521 farmers enroled for next year. Veterinarians and the Saskatchewan Livestock Association, which prepares the Data Summary, are in the learning mode. Veterinarians find they must tailor programs for individual producers while gathering the essential data to provide more concise information on reproduction, production, disease and death in a herd.

Swine Herd Health Policy

The Swine Herd Health Policy has operated since 1974. The policy provides assistance to pork producers to obtain professional veterinary herd health and preventive medicine service. The policy pays a portion of the cost of veterinary visits to production units and part of the cost of post mortem examinations done by the veterinarian.

On April 1, 1989, the Swine Herd Health Policy had 325 registered production units and a listing of 51 veterinarians providing service. This policy has provided assistance to well over 600 units in past years. These units tend to be the larger, more intensive production facilities and the Swine Herd Health Policy has had impact on the units that produce up to 75 per cent of Saskatchewan's pork.

Hatchery Supply Flock Policy

Veterinary Branch became responsible for the Hatchery Supply Flock Policy on January 1, 1988.

The Hatchery Supply Flock Policy is created to eradicate Pullorum Disease and Fowl Typhoid from poultry.

In Saskatchewan, an active fluff sampling program monitors bacterial and fungal contamination in hatcheries. The benefit is in the identification and control of Salmonella infection. The negative tests reflect hatchery and supply flock sanitation and affect trade status. The economic impact of these diseases is minimized through constant monitoring.

During 1989-90, Veterinary Branch received applications from 16 flock owners and certified a total of 65,596 female birds and 9,068 male birds under the program.

The Branch also received applications from eight flock owners and certified a total of 1,893 female and 439 male fancy/game birds under this program.

Food and Agriculture Emergency Response System

The Saskatchewan Department of Agriculture and Food has been involved in developing the regional component of the Food and Agriculture Emergency Response System (FAERS) within the province.

The emergency management-strategy for Agriculture Canada is to ensure the continuity and safety of the nation's food stocks.

The Department must be prepared to respond effectively to any emergency that affects the Canadian agri-food sector. The Department plans to achieve this strategy through the development of arrangements that will allow for a response by existing organizations and programs to national emergencies in agriculture and food.

The objective is to define the Saskatchewan component of the FAERS to manage the response to all types of emergencies affecting the agri-food sector.

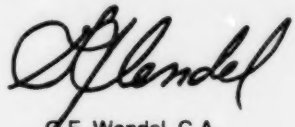
The project will address federal, provincial and private sector activities, responsibilities and capabilities associated with the agri-food sector under normal as well as emergency conditions.

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan

I have examined the balance sheet of the Cattle Marketing Deductions Fund for the year ended March 31, 1990, and the statement of revenue and expenditure and operating surplus for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Fund as at March 31, 1990, and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied, after giving retroactive effect to the change in accounting policy as explained in Note 1 to the financial statements, on a basis consistent with that of the preceding year.



Regina, Saskatchewan
July 13, 1990

G.F. Wendel, C.A.
A/Provincial Auditor

Statement 1

Balance Sheet
As at March 31

	1990	1989
Assets		
Current:		
Cash	$ 79,193	$ 131,222
Marketable securities, at cost which approximates market	995,000	1,011,058
Accounts receivable	206,733	255,450
	$1,280,926	**$ 1,397,730**
Liabilities and Operating Surplus		
Current Liabilites:		
Accounts Payable	$ 7,285	$ 7,500
Operating surplus - statement 2	1,273,641	1,390,230
	$1,280,926	**$1,397,730**

Commitments (Note 3)

(See accompanying notes to the financial statements)

Statement 2

Cattle Marketing Deductions Fund
Statement of Revenue and Expenditure and Operating Surplus
Year Ended March 31

	1990	1989
Revenue:		
Deductions under sections 3 and 4 of The Cattle Marketing Deductions Act and Regulations	$ 1,106,971	$ 1,114,779
Less Commissions	32,814	33,055
	1,074,157	1,081,724
Bank and investment interest	121,313	85,392
Total Revenue	**$1,195,470**	**$1,167,116**
Expenditures:		
Grants (Schedule 1)	1,294,250	741,256
Advisory Committee expenses	3,866	2,889
Refund of Deductions	23,943	21,295
Total Expenditures	**1,312,059**	**765,440**
Excess of (expenditure over revenue) revenue over expenditure	(116,589)	401,676
Operating surplus, beginning of year (as restated - Note 1)	1,390,230	988,554
Operating surplus, end of year	**$1, 273,641**	**$1,390,230**

(See accompanying notes to the financial statements)

Notes to Financial Statement March 31, 1990

1. Accounting Policy

a) Effective April 1, 1989, the Fund changed its basis of accounting from the cash basis to the accrual basis. Previously revenue from deductions under the Cattle Marketing Voluntary Deductions Act was recognized in the accounts as cash was received, and expenditures were recognized when cash was paid. Revenue is now recognized in the accounts as it is earned and accrues to the Fund; expenses are recognized as incurred by the Fund.

The change in accounting policy has been applied retroactively in these financial statements. The effect is to decrease 1990 revenue by $48,502, to increase 1989 revenue by $65,092 and to increase prior periods by $182,858.

b) The Fund has not been charged with occupancy costs or administrative salaries and no provision for such costs is reflected in these statements. These costs are borne by the Department of Agriculture and Food.

2. Legislative Authority

a) Pursuant to the provisions of The Cattle Marketing Voluntary Deductions Amendment Act, 1983 proclaimed into force August 29, 1983, the Cattle Marketing Voluntary Deductions Act Trust Fund was continued as the Cattle Marketing Deductions Fund and the assets and liablities of the Cattle Marketing Voluntary Deductions Act Trust Fund were deemed to be the assets and liabilities of the Fund.

b) The Fund is administered by an Advisory Committee established under the Act who authorize all expenditures from the Fund subject to the approval of the Minister of Agriculture and Food.

3. Commitments

At March 31, 1990, the Fund approved grants totalling $887,571 for payment in the year ended March 31, 1991 and $195,000 for payment in the year ended March 31, 1992.

Cattle Marketing Deductions Fund Schedule of Grants Year Ended March 31

Schedule 1

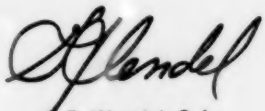
	1990	1989
Canadian Cattlemen's Association:		
Operating Expenses	$ 95,198	$ 88,354
Beef Information Centre and National Advertising Campaign	822,500	512,500
	917,698	600,854
University of Saskatchewan (Department of Animal & Poultry Science)	120,000	—
Veterinary Infectious Disease Organization	75,000	75,000
Saskatchewan Feed Testing Laboratory	65,000	—
Saskatchewan Beef Information Centre	40,000	40,000
Saskatchewan Cattle Feeders' Association	28,622	8,402
Prairie Agricultural Machinery Institute	21,215	—
Dr. Andrew Schmitz	10,000	1,000
Saskatchewan Stock Growers Association	6,015	—
Saskatchewan Agricultural Hall of Fame	700	—
Western Cow/Calf Producers' Association	—	6,000
Mankota Stockmen's Weigh Co. Ltd.	—	5,000
Saskatchewan Feed Grain Users Association	—	5,000
	$1,284,250	**$ 741,256**

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan:

I have examined the statement of receipts and payments of Farm Purchase Program Fund for the year ended March 31, 1990. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, the statement of receipts and payments presents fairly the cash position of the fund as at March 31, 1990, and its receipts and payments for the year then ended in accordance with the accounting principles disclosed in note 2 to the financial statement applied on a basis consistent with that of the preceding year.



Regina, Saskatchewan
May 11, 1990

G.F. Wendel, C.A.,
A/Provincial Auditor

Statement of Receipts and Payments
For the Year Ended March 31

Receipts	1990	1989
Appropriation - Saskatchewan Heritage Fund - Agricultural Division (Note 1)	$12,322,600	$10,664,986
Lease Payments	7,001,956	7,835,627
Penalties	429,683	566,069
Interest on Loans	380,670	469,693
Interest on Investments	212,531	525,050
Total Receipts	**$20,347,440**	**$20,061,425**
Payments		
Interest (Note 1)	20,195,040	20,008,042
Advertising	152,408	53,388
Total Payments	**$20,347,448**	**$20,061,430**
Excess of Payments over Receipts	(8)	(5)
Cash, beginning of Year	—	5
Cash, end of Year	$ (8)	$ —

(See accompanying notes to the financial statement)

Notes to the Financial Statements

March 31, 1990

1. Legislative authority

The Farm Purchase Program Fund was established April 1, 1983, pursuant to The Farm Purchase Program Act, which was assented to December 17, 1982.

a) Receipts

Pursuant to Section 8(2) of this Act, the following receipts were placed to the credit of the Fund:

i) lease payments on land formerly held by the Saskatchewan Land Bank Commission;

ii) penalties on arrears of lease payments;

iii) interest payments on loans for improvements made pursuant to Section 22 of The Land Bank Act;

iv) penalties on arrears of interest payments;

v) interest earned on deposits or investments;

vi) sums appropriated by the Legislature for the purposes of the Fund;

vii) advances from the Consolidated Fund.

b) Payments

Pursuant to Section 8(3) of this Act, payments were made out of the Fund for interest costs on debt incurred by the former Saskatchewan Land Bank Commission. These payments were made to the Consolidated Fund.

2. Accounting Policies

a) These financial statements are prepared using a modified cash basis for a fiscal year commencing on April 1 and ending March 31. Receipts are recorded as received and payments are charged to the accounts when payments are made. In addition, receipts received in the 30 days of April, in respect of revenues raised up to March 31 of the preceding fiscal year, and payments made during the 30 days of April which are for goods and services received in the preceding fiscal year are reported as receipts and payments of the preceding year fiscal year. Accordingly, the financial position of the fund at March 31, 1990, does not include the following items:

(i) amount due from Department of Rural Development — Lands Branch — $241,651 (1989 - $128,911);

(ii) accrued interest costs — $6,834,817 (1989 - $6,834,817).

b) The fund has not been charged with occupancy costs or administrative salaries and no provision for such costs is reflected in these statements. These costs are borne by the Department of Agriculture and Food.

3. Advances

Pursuant to Section 8(4) of The Farm Purchase Program Act the Fund receives advances from the Consolidated Fund as required for the purposes of the Fund, subject to prescribed terms and conditions. Following is a summary of advances received and repayments.

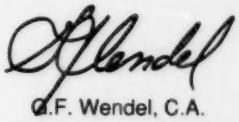
	1990	1989
Advances	$ 20,072,275	$ 9,210,000
Repayments	20,072,275	9,210,000
	$ —	$ —

Auditor's Report

To the Members of the Legislative Assembly
of Saskatchewan:

I have examined the balance sheet of the Horned Cattle Fund as at March 31, 1990, and the statements of revenue and expenditure and operating surplus, and changes in financial position for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Fund as at March 31, 1990, and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied, after giving retroactive effect to the change in accounting policy as explained in Note 1 to the financial statements, on a basis consistent with that of the preceding year.



Regina Saskatchewan
July 13, 1990

G.F. Wendel, C.A.
A/Provincial Auditor

Balance Sheet
As At March 31

Statement 1

	1990	1989
Assets		
Current:		
Cash	$ 55,652	$ 114,789
Marketable securities, at cost which approximates market	585,000	337,019
Accounts receivable	40,780	55,225
Inventory of cattle (Note 3)	386,065	457,594
Advance	—	64,068
	$ 1,067,497	**$ 1,028,695**
Liabilities and Operating Surplus		
Current Liabilities:		
Accounts payable	$ 19,287	$ 5,291
Operating surplus - Statement 2	1,048,210	1,023,404
	1,067,497	1,028,695
Commitments (Note 4)		

(See accompanying notes to the financial statements)

Statement of Revenue and Expenditure and Operating Surplus
Year Ended March 31

Statement 2

	1990	1989
Revenue		
Deductions under Section 3 and 4 of The Horned Cattle Purchases Act	$ 219,286	$ 230,269
Less Commissions	3,272	3,408
	216,014	226,861
Pathlow Beef Research Project (Note 3)	149,279	178,190
Swift Current Forage Project (Note 3)	28,137	9,360
Interest	63,544	41,350
Total Revenue	**$ 456,974**	**$ 455,761**
Expenditure		
Grants (Schedule 1)	231,960	119,937
Pathlow Beef Research Project - operating costs	197,686	228,342
Advisory Committee expenses	2,522	2,077
Total Expenditure	**432,168**	**350,356**
Excess of revenue over expenditure	24,806	105,405
Operating surplus, beginning of year (as restated - Note 1)	1,023,404	917,999
Operating surplus, end of year	**$ 1,048,210**	**$ 1,023,404**

(See accompanying notes to the financial statements)

Statement of Changes in Financial Position
Year Ended March 31

Statement 3

	1990	1989
Cash provided by operating activities:		
Excess of revenue over expenditure	$ 24,806	$ 105,405
Net change in non-cash working capital balances related to operations*	164,038	(10,225)
Total cash provided by operating activities	188,844	95,180
Cash position at beginning of year	451,808	356,628
Cash position at end of year	$ 640,652	$ 451,808
Cash position comprises cash and marketable securities		
* Accounts receivable	$ 14,445	$ (17,935)
Advance	64,068	(34,068)
Inventory	71,529	49,551
Accounts payable	13,996	(7,773)
	$ 164,038	**$ (10,225)**

(See accompanying notes to the financial statements)

Notes to the Financial Statements
March 31, 1990

1. Accounting Policies

a) Effective April 1, 1989, the Horned Cattle Fund changed its basis of accounting from a modified accrual basis to the accrual basis. Previously, revenue from deductions under the Horned Cattle Purchase Act was recognized in the accounts when cash was received. Such revenue is now recognized in the accounts as it is earned and accrues to the Fund.

The change in accounting policy has been applied retroactively in these financial statements. The effect is to decrease 1990 revenue by $12,752, to increase 1989 revenue by $16,062 and to increase prior periods by $36,657.

b) Cattle inventory is valued at approximate realizable value at the fiscal year end (Note 3).

c) The Fund has not been charged with any occupancy costs or administrative salaries and no provision for such costs is reflected in these statements. These costs are borne by the Department of Agriculture and Food.

2. Legislative Authority

Pursuant to the provisions of The Horned Cattle Purchases Amendment Act, 1983, proclaimed into force October 1, 1983, the Horned Cattle Trust Fund was continued as the Horned Cattle Fund and the assets and liabilities of the Horned Cattle Trust Fund are deemed to be the assets and liabilities of the Fund.

The purpose of this Fund is to promote research and development in the livestock industry.

3. Inventory of Cattle

In view of the difficulty which exists in assigning on a rational basis the cost of production to animals at various stages of maturity and since the correlation between costs and revenue is not nearly as close as in most businesses, the inventory of cattle held is valued at approximate realizable value at the fiscal year end. The corresponding changes in inventory from one year to the next have been described as Appreciation (decline) in value of herd.

Revenue from Pathlow Beef Research Project

	1990	1989
Cattle Sales	$307,092	$227,741
Appreciation (decline) in value of herd	(157,813)	(49,551)
Total Revenue	**$149,279**	**$178,190**

Revenue from Swift Current Forage Project

	1990	1989
Net revenue - Southwest Forage Association	$18,545	$9,360
Appreciation in value of herd	9,592	—
Total revenue	**$28,137**	**$9,360**

4. Commitments

At March 31, 1990, the Fund approved grants totalling $120,500 for payment in the year ended March 31, 1991, and $100,000 for payment during the period 1992 to 1995.

Schedule of Grants
Year Ended March 31

Schedule 1

	1990	1989
Western College of Veterinary Medicine	$ 132,500	$ —
Canadian Western Agribition Association	35,000	35,000
Melfort Agricultural Society	17,560	17,560
University of Saskatchewan (Research Services Section)	12,100	—
University of Saskatchewan (Department of Animal & Poultry Science)	10,700	34,839
Agriculture Insight Foundation Inc.	10,000	—
Saskatoon Prairieland Exhibition Corporation	5,000	8,000
Maple Creek Veterinary Services District	3,000	20,000
Western Canada Kochia Association	2,600	—
Perdue Agricultural Society	2,500	—
Canadian Charolais Youth Association	1,000	—
Saskatchewan Holstein-Freisen Association	—	4,000
Mr. F. Wilson	—	538
	$ 231,960	$ 119,937

Saskatchewan Legislation Pertaining to Saskatchewan Agriculture and Food

Agriculture Development Fund Act
Agri-Food Act
Agrologists Act
Animal Identifiction Act
Animal Products Act
Animal Protection Act
Apiaries Act
Beef Stabilization Act
Cattle Marketing Deductions Act
Crops Payment Act
Dairy Workers (Maintenance of Operation) Act
Department of Agriculture Act
Diseases of Animals Act
Drainage Act
Farmers' Counselling Assistance Act
Farm Financial Stability Act
Farming Communities Land Act
Farmers' Oil Royalty Refund Act
Farm Purchase Program Act
Feeder Association Loan Guarantee Act
Government Organization Act
Grain and Fodder Conservation Act
Horned Cattle Purchases Act
Horse Racing Commission Act
Line Fence Act
Livestock Facilities Tax Credit Act
Livestock Investment Tax Credit Act
Milk Control Act
Natural Products Marketing Council Act
Noxious Weed Act
Pest Control Act
Pest Control Products (Saskatchewan) Act
Pollution (By Livestock) Control Act
Prairie Agricultural Machinery Institute Act
Sale or Lease of Certain Lands Act
Saskatchewan Agricultural Returns Stabilization Act
Seed Grain Advances Act
Soil Drifting Control Act
Vegetable and Honey Sales Act
Veterinarians Act
Veterinary Services Act

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